

Delaware Insurance Commissioner Karen Weldin Stewart Announces Decision on DCRB Workers' Compensation Rate Filing

Dover, DE-Delaware Insurance Commissioner Karen Weldin Stewart announces today that based on the agreement between the Delaware Department of Insurance, the Delaware Compensation Rating Bureau and the Ratepayer Advocate, she has approved the re-submission of the Delaware Compensation Rating Bureau (DCRB) workers' compensation rate filing regarding the residual market rate and the voluntary market loss cost.

The annual filing was carefully reviewed and analyzed by the Delaware Insurance Department's actuaries, as well as the Rate Payer Advocate's actuary. The reports were posted on the Department's website. The lower increases approved reflect a more appropriate balance in the cost of insurance premiums compared to the cost of the system. The Commissioner and the Rate Payer Advocate, along with their actuaries, concurred that the increases of 11.4% in residual market rates and 14% in voluntary market loss costs met the requirements in Delaware law that rates must not be inadequate, excessive, or unfairly discriminatory. The effective date of the increase is retroactive to December 1, 2013 for new and renewal business.

Commissioner Stewart stated **"While three different actuaries have all concluded that an increase is indicated, I must weigh more than actuarial considerations in making my decision. The difficulties seen by Delaware employers as emphasized during the three public information sessions, the need for our economy to grow, and the rising costs faced by insurers must**

all be included in my final decision. This decision represents a savings of more than 45 million dollars to Delaware employers from the original submission. We encourage the DCRB and legislative leaders to continue to work toward a common goal of identifying and addressing the underlying cost drivers in Delaware's workers' compensation rates." Stewart believes that continued momentum behind legislative reforms introduced in 2013 and those sought in 2014 to ensure that future rate requests are small will help to keep our economy strong and attract and retain businesses in Delaware. Stewart added "Unfortunately, a rate increase is necessary this year for worker's compensation insurance in Delaware. My commitment to the consumer is unwavering; and I will continue to work with all parties to create further reform that we expect will result in a reduction in the overall cost drivers in the worker's compensation system."

For more information about the DCRB annual rate filings, visit the Delaware Department of Insurance website at www.delawareinsurance.gov.

[Please see attached statement from the Rate Payer Advocate.](#)

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Delaware Department of Insurance: "Protecting Delawareans through regulation and education while providing oversight of the insurance industry to best serve the public."